

Endicott Development Project

Public Scoping Meeting

Fairbanks

1983

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TRANSCRIPT OF PROCEEDINGS

FEBRUARY 10, 1983

FAIRBANKS, ALASKA

ENDICOTT DEVELOPMENT PROJECT

H & M COURT REPORTING
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PROCEEDINGS

COLONEL SALING:

Ladies and gentlemen, let me welcome you all to this fifth Scoping Meeting that the Corps is holding with regards to a permit that we received application for from Sohio Corporation for the development just off the North Slope. In fact, it's the Sagavanirktok Delta.

What we're doing in these series of meetings is collecting information from the public as to the concerns they have that they would like to see addressed in the Environmental Impact Statement that the Corps is required to prepare prior to making some sort of decision on the permit application.

As you came in you may have glanced in the back of the room. We have a couple charts up there that illustrate the location of this particular project that's been proposed; in addition to that there is some booklets that I hope you picked up, that address the subject in somewhat more detail of what we're going to talk about.

I have with me today the consultant that is working with the Corps in the preparation of the Environmental Impact Statement, Bob McDonald, who is going to talk to you a little bit later about some of

1 the aspects of the preparation of the Environmental
2 Impact Statement, and then Del Dias and Dan Huxley,
3 our engineers who are working on this particular
4 project for Sohio, and they're going to give you a
5 technical explanation about what the project consists
6 of.

7 Very briefly, the project consists of the
8 construction of four gravel islands. Three for the
9 purpose of production of oil from the Endicott
10 Reservoir, hence the name and Endicott Development.
11 Some of you who may have worked on this before, or
12 may have known that it's the Sag Delta and the Duck
13 Island involvement, but this particular project now
14 is being known as the Endicott Development.

15 That will give you an in-depth briefing on what,
16 exactly, the field consists of, and what the
17 construction that they propose consists of.

18 Now, the way we're going to run this today, after
19 I get through making my introductory remarks, I'm
20 going to turn it over to Bob. He's going to talk
21 about the Environmental Impact Statement and that
22 process, and then we will go through to the technical
23 presentation.

24 In the past what we've done is then have
25 questions on the technical portions of the project,

1 as is proposed; take a break; and then those people
2 who wish to make a statement or have some comments
3 that they would like to make as to those things that
4 they think should be addressed in the Environmental
5 Impact Statement, then you could come up here and
6 provide those comments to us.

7 If it turns out we won't have very many people
8 that would like to make those kind of comments, we'll
9 just run right on in through the question.

10 I would ask, if you have questions, please stand
11 up and speak loud enough; we're going to try to pick
12 up the questions, as well as the answers on these
13 microphones, so we have a permanent record of what's
14 going on.

15 We have conducted four other meetings prior to
16 this. The first one was held in Anchorage, the
17 second one was held in Barrow, and the third and
18 fourth were held in the villages of Nuiqsut and
19 Kaktovik, up on the North Slope, and I must say, it's
20 much easier to do this today than those two, because
21 I had to work through an interpreter in each of
22 those, and that takes some time, when you speak three
23 sentences and then wait for it to be translated in
24 the Native language; I felt I was back in Europe
25 again.

1 But we had some good input from the people who
2 were directly involved there on the North Slope, and
3 I hope that we get the same kind of enthusiastic
4 response today.

5 So with that I would like to pass on to Bob, and
6 he will talk to you a little bit about the process.
7 And I want to emphasize again that there has been no
8 decision made insofar as this permit is concerned,
9 and that decision will be a Corps decision following
10 the preparation of the impact statement.

11 There are three alternatives: One is to deny the
12 permit; one, is to accept it as it has been presented
13 to us by the oil companies; and the third is to
14 accept it with modifications that are identified as
15 part of the Environment Impact Statement process.

16 There will be a draft prepared of the impact
17 statement; you will have a chance to comment again
18 before the final statement is prepared.

19 So with that, Bob, let me turn it over to you.

20 MR. McDONALD:

21 Thank you, Colonel.

22 As the Colonel indicated, I'm the overall project
23 manager from Environmental Research and Technology,
24 and we are the third party EIS contractor. We will
25 be preparing the Environmental Impact Statement

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1 working with the Corps of Engineers on this
2 particular project.

3 We've been working quite closely with the Corps
4 of Engineers throughout the last two months in
5 preparation of the Scoping Sessions, and in the
6 process of developing the detail study plans.

7 What we'd like to do today is to -- as the
8 Colonel indicated, solicit your input on the issues
9 and concerns that you might have on this project.
10 And in order to facilitate that, I divide this
11 particular section of the presentation into three
12 different parts.

13 The first part will be a presentation by Sohio on
14 the project engineering and permits. Following that
15 I will have a brief overview of the Environmental
16 Statement process, and lastly, I'll give a summary of
17 the EIS Scoping Process.

18 The Colonel indicated that Dan Huxley from Sohio
19 will be giving a presentation on engineering, and Del
20 Dias, from Sohio, who is also available to answer any
21 questions you might have on the environmental studies
22 that have been conducted to date.

23 With that as a brief overview of what we're going
24 to accomplish through the next half an hour or so,
25 I'll turn the presentation over to Dan, who will now

1 give you an overview of the project description, ar
2 the alternatives.

3 MR. HUXLEY:

4 I would like to start by just giving a brief
5 review of what progress has been made on the project
6 during the last nine months.

7 Back in May of last year we had a general
8 development review meeting with a number of the
9 agencies in Anchorage, and I know some of you might
10 have been present at that meeting.

11 Since that time a number of things have happened
12 to the project, and I would just like to go over
13 those briefly.

14 Firstly, we have completed the major conceptua.
15 engineering design studies for the project. These
16 studies have been conducted for the purpose of
17 determining the technical feasibility of developing
18 the field, and the estimated cost of that
19 development.

20 The studies had been scoped out on a very broad
21 basis, realizing that the work would be optimized in
22 the later design phases.

23 The next item that has happened of significance,
24 has been the filing of the initial project permit.
25 This occurred in September of last year, and as the

1 Colonel mentioned, this is the permit that has kicked
2 off the Environmental Impact Statement process for
3 which you're here this afternoon.

4 The reason for filing this application early is
5 twofold. Firstly, we realize that the EIS process is
6 a lengthy one. And the time we receive the permits
7 for the project is rather critical to our overall
8 project development schedule. And secondly, it's
9 been our intent, and continues to be our intent, to
10 resolve issues of agency and public concerns early on
11 in the project as we possibly can.

12 The other significant item that's occurred has
13 been the preparation and submittal to the Corps and
14 the other permitting agencies, an environmental
15 overview and engineering overview on the project.
16 The engineering overview describes the base case
17 under the concept that was carried through conceptual
18 engineering.

19 The environmental overview describes the
20 environmental setting and discusses the changes that
21 might occur as a result of the proposed development.

22 At this time right now I would just like to go
23 over some of the current work efforts. Presently the
24 companies are evaluating the major development
25 concept alternatives that are available to us, with

1 the intent of arriving at a preferred development
2 scheme.

3 The focus in this effort right now is on the
4 selection of a preference for just how many islands
5 -- the number islands, and location of those islands,
6 are going to be required to develop the project.

7 The other item that's ongoing right now, or
8 getting ready for, is the start of our preliminary
9 design activity. This is something that we expect to
10 get underway in the second quarter of this year.

11 And the third item ongoing that we've just begun,
12 has been conducting a 3-D seismic program, which
13 we're doing this winter out in the project area.
14 This is a very extensive survey conducted, really,
15 for our purposes, to get a better understanding of
16 the reservoir that we're trying to develop.

17 In the general nature, I think it's important to
18 note that the companies have not made a final
19 commitment at this time to develop the project, and
20 cannot make that commitment until such time as
21 additional reservoir, engineering and environmental
22 information is gained on the project.

23 This project is marginal economically, and even
24 though we recognize that a significant oil and gas
25 accumulation does exist in this development area, the

1 cost of this development is very, very high.

2 At the present time we are estimating the
3 development cost to be somewhere in the neighborhood
4 of 2.5 to \$3 billion in today's money; this includes
5 the cost of both facilities and the wells necessary
6 to develop the field.

7 I mention this to clear up some confusion that
8 we've seen and we've noted in the press, indicating
9 that the project may only cost in the neighborhood of
10 \$1 billion; we feel that figure is vastly
11 understated, and this is truly our understanding of
12 the sort of money that's involved in developing this
13 field.

14 What I would like to do now is move on to a
15 description of the project itself, as we're carrying
16 it.

17 As the Colonel mentioned, the base case, number
18 one, and you heard general remarks on this -- the
19 base case that we're going to be describing, or I'll
20 be discussing here this afternoon, is the case that
21 we carried through our conceptual design, the case
22 that is discussed in detail in the engineering
23 overview, and is summarized in the handouts that are
24 in the back of the room there.

25 It includes both the facilities that we expect to

1 be in operation at start-up, as well as any
2 increments that will become in place after production
3 start-up.

4 The project is located about 15 miles east of
5 Prudhoe Bay, and somewhere between two and four miles
6 offshore. The water depths in the project location
7 are between four feet and 18 feet of water.

8 In the very general nature, we're talking about
9 four gravel islands, a main drilling and production
10 island, two satellite drilling islands, and a
11 separate waterflood island.

12 The number of wells that we're expecting is a
13 total of about 240; that will include 80 on each of
14 the three drilling and production islands.

15 We will have subsea pipelines connecting four
16 islands. In addition to that, we'll have a gravel
17 causeway connecting the main island to shore.

18 On this causeway we will be carrying the crude
19 and gas product pipelines through the delta area over
20 to sales points at Prudhoe Bay. In addition to that,
21 we'll have a main construction camp and a base
22 operations camp located in the Delta Uplands.

23 The project is expected to start-up in mid
24 1988. The start-up production at that time, and the
25 peak production for the project is expected to be

1 somewhere between 75 and 150,000 barrels of oil per
2 day.

3 The production will peak at that rate to continue
4 for a few years and then drop off and decline.

5 The gas sales is expected to peak at
6 approximately 250 million cubic feet per day. The
7 actual timing of the sale depends on timing of the
8 Alaska Natural Gas Transportation System, as well as
9 reservoir management needs to reinject the gas into
10 the reservoir.

11 In a more detailed fashion, now, I would like to
12 go through the facilities that are included on the
13 islands and in the project. The satellite drilling
14 islands each will be located about 2 1/2 miles from
15 the main production island. These also will be about
16 two miles off shore.

17 Each of these islands will include drilling and
18 well operation facilities for up to 80 wells, and the
19 islands will be approximately 750 feet by 1000 feet,
20 and constructed of gravel. The facilities on these
21 two islands will include one or more drilling rigs
22 and drilling support equipment, as well as well
23 manifolding and testing equipment, reserve living
24 quarters and emergency facilities.

25 The main production island will include, in

1 addition to the drilling and well operation
2 facilities that I've just mentioned on the two
3 satellite islands, it will also include all the main
4 production processing facilities and support
5 equipment for project development.

6 The production from each of these three islands
7 will be co-mingled at the main island. At that point
8 the fluids will be separated; the gas will be
9 dehydrated and pressed for purposes of gas lift, or
10 gas sales and gas reinjection. The oil will be
11 dehydrated and readied for sales, and the water will
12 be processed, treated and readied for reinjection for
13 the waterflood system.

14 In addition to that, the island will also include
15 the facilities to process the source water which will
16 be coming from the waterflood island out there that
17 I'll discuss in a moment. The island will also
18 include the power generation equipment for the
19 project. Power will be centrally generated on the
20 island and distributed in a power distribution
21 network via subsea cables to the three outlying
22 satellite islands. The actual measurements of the
23 main island are expected to be approximately 1250 by
24 1350 feet.

25 The last and smallest of the islands is the

1 waterflood island. This will be located about two
2 miles further offshore from the main island. This
3 island will also be gravel constructed; approximately
4 520 feet in diameter. It will be located in
5 approximately 18 feet of water for the purpose of
6 securing year around source of sea water.

7 On this island will be a seawater intake system,
8 intake structure and a system to transport the sea
9 water via subsea pipeline to the main production
10 island to the system for waterflooding.

11 The pipelines for the project will include both
12 inter-island pipelines connecting the islands, as
13 well as the sales pipelines to sales points at
14 Prudhoe Bay.

15 The pipelines that we're envisioning right now
16 will include produced fluid pipelines; it will carry
17 produced fluids from each of the satellite islands to
18 the main island. Water injection pipelines that will
19 transport treated injection water back to each of the
20 satellite islands for waterflood purposes and
21 injection into select waterflood wells.

22 It will also include possible fuel lines
23 connecting the three islands with the main island,
24 and there will be a source water line which will be
25 serving to transport the source water from the

1 satellite or waterflood island to the main island.

2 The subsea pipelines between the islands will
3 range in size from six inches to 24 inches in
4 diameter, and will vary in length from two to two and
5 a half miles. The kind of material will vary,
6 depending on the service of the particular pipeline.

7 Externally these pipelines will be coated as
8 necessary to protect them from corrosion. They will
9 be insulated to prevent heat loss, and will be weight
10 coded to insure negative bouyancy.

11 Internally, where necessary, corrosion control
12 methods will be employed. These methods would
13 include internal coating of the pipeline; use of
14 chemical inhibition or a combination of the two whe
15 necessary.

16 The subsea pipelines will be buried in subsea
17 trenches. these trenches will be covered over and
18 the purpose of the burial and the cover is to protect
19 the line from the natural forces of strudel scour,
20 ice pounding and ice gouging.

21 The actual depth and method of covering the
22 pipelines has not yet been determined, and depends
23 upon further geotechnical work to determine just what
24 these natural phenomena are doing in the area.

25 The pipelines, both the inter-island subsea lines

1 and the sales lines will be designed, installed and
2 operated for the purpose of, and the philosophy of
3 preventing pipeline leaks.

4 These leak prevention techniques will include
5 proper material selection of the pipelines; proper
6 installation of the lines and operation of the lines
7 to insure that they are properly maintained and
8 operated. Corrosion control methods would be among
9 the standard procedures used to insure the lines
10 internally.

11 In addition to the general philosophy of leak
12 prevention, leak detection measures will be taken,
13 including both continuous detection measures,
14 monitoring procedures, as well as periodic leak
15 detection inspection, such as visual inspection and
16 use of internal pipeline inspection pigs.

17 The continuous methods will include flow and
18 pressure deviation, which will be monitored
19 continuously on all pipelines.

20 In addition to the leak detection, all the
21 pipelines will be freeze protected where necessary.
22 Freeze protection systems will include insulation of
23 the pipelines and in emergency situations,
24 displacement of the pipelines.

25 The sales pipelines will include two 16-inch lines

1 carrying the oil and gas from the main production
2 area over to sales points at Prudhoe Bay. The final
3 terminating point of these lines will be TAPS Pump
4 Station 1 for the oil, and the future Alaska Gas
5 Conditioning Facility for the sales gas.

6 Through our conceptual work, two alternative
7 routings were examined, and I'll just briefly
8 describe these now. The first of these we refer to
9 as the SagDelta route. In this case the pipelines
10 are buried in a gravel causeway between the main
11 island and shore. At this point they continue buried
12 in a causeway approach. At this point they come
13 above ground and continue on elevated pipeline
14 supports through the Delta area over to Drill Site
15 9. At this point they follow existing pipeline
16 corridors; the oil going to TAPS Pump Station 1; the
17 gas going to the AGCF. Along this line from the
18 existing Prudhoe Bay road system and Drill Site 9 to
19 the causeway approach will be a paralleling access
20 road.

21 The alternative to this that was examined is
22 referred to as the West Dock pipeline route. In this
23 case the pipelines are buried in a subsea trench from
24 the main production island over to the PBU West
25 Dock. At this point they come up on the dock and

1 continue buried in a gravel shoulder added to the
2 dock, thence above ground on elevated supports down
3 to the AGCF for the gas and TAPS Pump Station 1 for
4 the oil.

5 At this point in time the companies have
6 evaluated these alternatives and we have made a
7 preference selection for the Sag Delta route, coming
8 through the delta area, on the basis of both economic
9 and operational considerations of the two schemes.

10 I would like to now discuss the two major camps
11 that will be constructed in the respective
12 projects. This will be a base operation camp and a
13 main construction camp, in our conceptual design.
14 Note that these are located approximately six miles
15 from the main production island in the Delta
16 Uplands. They'll be located adjacent to one another
17 on a gravel pad, approximately 50 acres in size.

18 The base operations camp will be a permanent
19 facility to house approximately 260 people. It will
20 be located on about a 12 acre portion of this pad.
21 The facilities on the BOC, Base Operations Camp, will
22 include living quarters and administrative quarters
23 for operations personnel; wastewater and sewage
24 handling facilities, and power generation and
25 operation support equipment.

1 The main construction camp located at the same
2 site, will be a temporary facility, operating through..
3 the period of construction. It will be designed to
4 house up to 750 construction personnel, and will
5 include the living quarters for those construction
6 personnel, as well as wastewater and sewage handling
7 facilities, fuel and material supply areas and power
8 generation.

9 Assuming these camps are indeed constructed
10 together, the facilities will be shared to the extent
11 possible.

12 In addition to the two main camps there may also
13 be temporary small gravel camps, assuming that an
14 onshore gravel source is selected. These camps will
15 be operated only during the period of gravel use.

16 In terms of gravel needs for the project, we are
17 estimating at the present time, approximately 8
18 million cubic yards of gravel will be required. This
19 will include 4 million yards for the island;
20 approximately 2.5 million for the causeway and
21 causeway approach, and another 1.5 million yards for
22 the on-shore road and the pads for the camps and
23 pipeline pad.

24 The source for the gravel has not yet been
25 selected; both onshore and offshore sources are being

1 considered. The transportation and placement methods
2 for the gravel will depend upon what source is
3 eventually selected.

4 I would like to just briefly go through some of
5 the milestones of the project schedule as we see it
6 today. Looking at the detailed design, we're
7 expected to start in the second quarter of this
8 year. In the middle of 1984 at that point we're
9 looking at a major project commitment, or financial
10 commitment for the project, following receipt of
11 permits.

12 At this point we order the long lead equipment
13 necessary and mobilize for North Slope construction
14 of support facilities.

15 In late '84 we would start gravel work in the
16 area for gravel pads and preconstruction work,
17 getting ready for the construction camp and BOC.

18 The main gravel work on the islands and causeway
19 are expected to begin in the summer of 1985, and
20 continue through '86. The module construction in the
21 Lower 48 is expected to begin about mid 1985.

22 Drilling will begin as soon as the islands are
23 constructed and available. That's expected to begin
24 in the early part of 1986. A number of wells will be
25 predrilled before production facilities are actually

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1 installed and operational, such that a sufficient
2 number of wells will be available for start-up.

3 The major sealift for the project is the 1987 Sea
4 Lift, and most of the North Slope construction for
5 facility installation will be occurring after that
6 point in time. Pipeline construction will be
7 starting earlier, around the same time as drilling in
8 early 1986. This feeds into our start-up, which,
9 right now, is projected to be approximately mid 1988.

10 The last item I'm showing down here is future
11 increment design and construction. The sort of
12 increments that we're seeing, and that I really
13 included in the main body of the description would
14 include such things as waterflood, low pressure
15 separation, artificial lift, and other such items,
16 which are really included in the base case, as I
17 described to you. The only uncertainty at this point
18 would be, whether these facilities are actually
19 needed at start-up, or whether they'll be installed
20 at some later date, say four years after start-up.

21 Just to briefly summarize, the project entails
22 four gravel islands; a main drilling production
23 island, two satellite drilling islands, a waterflood
24 island, a gravel causeway from the main island to
25 shore, access road, and going over and connecting the

1 causeway to the existing road system in Prudhoe,
2 pipelines -- inner-island pipelines buried subsea
3 connecting the islands, as well as sales lines
4 carrying oil and gas product from the main island
5 through the delta area to sales points at Prudhoe,
6 and two main camps; a main construction camp and a
7 base of operations camp located in the Delta.

8 That concludes my presentation.

9 COLONEL SALING:

10 Those of you who have technical questions, if you
11 will just hold them until Bob is through, we will
12 keep Dan here so he could answer any questions you
13 have on that presentation. Go ahead, Bob.

14 MR. McDONALD:

15 The second topic that I wanted to discuss today
16 briefly is the scoping process, and what it's all
17 about. That's the reason why we're here today. I'm
18 sure you're all aware of the fact that the Council on
19 Environmental Quality Guidelines require agencies to
20 insure that they do get input from the public at the
21 first possible opportunity during the processing of
22 an EIS, and that's what we want to do today, is to
23 identify the significant issues that are associated
24 with the proposed acts, and the alternatives.

25 The public scoping process, is basically the

1 first of three steps. The first step is what we're
2 doing here today, and that is to get input from you
3 folks. The second step will be to take that
4 information that we got from this Public Scoping
5 Meeting, along with the other four that the Colonel
6 mentioned, and analyze those issues that were raised
7 during those scoping sessions.

8 The final product out of the scoping process,
9 then, will be a document which we will call the
10 scoping document. In that scoping document we will
11 show what issues were raised at the various scoping
12 meetings, and how we will treat those issues in the
13 Environmental Impact Statement.

14 This document will be mailed to all of you who
15 are on the Corps mailing list, along with those of
16 you who have registered today. And the thing we want
17 to continue to reiterate, is that we're here to learn
18 today, we're not here to tell you all we know about
19 the project. We need to get your input so that we
20 can, indeed, identify the issues. And once we open
21 this up, we certainly welcome any statements that you
22 might have now at this session, or any written
23 comments that you might prefer to send to the Corps
24 of Engineers later on.

25 The last topic that I want to generally discuss

1 is that of the EIS process. For all of you who are
2 associated or familiar with the EIS process, I am
3 sure this is old hat. Some of those of you who are
4 not familiar with the EIS process, it's good to
5 reacquaint you with the EIS process.

6 We have basically seven tasks that we will be
7 involved in in the EIS process. The first task, the
8 Public Scoping process, obviously that's what we're
9 in today.

10 From the Public Scoping process we will identify
11 the significant issues, and how we're going to
12 analyze those significant issues and develop a
13 detailed study plan, which each of the disciplines
14 will prepare on how they're going to handle or
15 address these significant issues.

16 The third task of baseline data collection is one
17 that we're getting ready to proceed on right now.
18 I'm sure you're all aware of the fact that there have
19 been numerous studies conducted on the North Slope,
20 and in particular, for this particular project
21 area. One of the major assumptions that we have made
22 for this particular study is that there is a lot of
23 baseline data available.

24 In reviewing the baseline data, if we find that
25 there are data gaps, or if we find that there are

1 some issues raised that we don't have enough baseli
2 data collected, obviously we will have to go back and
3 collect additional baseline data.

4 But for the time being we are assuming that there
5 is sufficient baseline data to allow us to go through
6 and start our impact analysis process.

7 Some of those field studies that haven't been
8 completed are of interest, and I wanted to briefly go
9 over four of those.

10 The first one is the biological and archeological
11 investigations of the road corridor and pipeline
12 route through the Sag Delta, which was completed in
13 1981.

14 The second study is the marine environmental
15 studies near the Sag River Delta in 1981.

16 The third study is the under ice survey of
17 overwintering fish in the Sag River, in the vicinity
18 of the Sag River, which was conducted during the
19 winter of 1981 and 1982.

20 And then the last major study was that of the
21 summer environmental studies of 1982. And that final
22 report will be released in the near future.

23 It is also important to note that we have two
24 subcontractors that are providing us environmental
25 support on this project, and they consist of LGL and

1 Nortec. They will be providing baseline and
2 environmental support, along with participating in
3 impact analysis.

4 The task four of impact analysis is the heart, of
5 course, of the Environmental Impact Statement. We
6 will conduct rigorous impact analysis of the proposed
7 action, and of the alternatives, to insure that we do
8 identify the significant impacts.

9 It is also important to note that during task
10 four of impact analysis, we will also identify any
11 mitigation measures, which would lessen the adverse
12 impacts on the environment, or, also, we will
13 identify any additional alternatives that would also
14 do the same.

15 The outcome of the first four tasks, of course,
16 is the preparation of the draft Environmental Impact
17 Statement, which we are projecting now would be
18 completed in October.

19 I want to emphasize that the tentative schedule
20 we have on the bottom of the chart is exactly that,
21 it's a tentative schedule, and the schedule could be
22 compressed, or it could be extended, depending upon
23 the outcome of the scoping process and our review of
24 the baseline data.

25 Following the preparation of the direct

1 Environmental Impact Statement, there will be a
2 public review period, along with public hearings on
3 the DEIS, and I will anticipate that the Corps will
4 probably hold public hearings at the same places that
5 the scoping sessions have been held to date. The
6 times and places of public hearings will be
7 announced, obviously, later on.

8 The last step is the preparation of the final
9 Environmental Impact Statement, and that, basically,
10 is the process whereby we will respond to the review
11 comments which have been raised through the review
12 process and we'll make the appropriate changes in the
13 text of the EIS. Here, again, we're anticipating
14 that EIS to be finalized in the first quarter of
15 1984.

16 Before we open it up for questions, I would like
17 to go over some of the issues and concerns that have
18 been identified to date, by the Corps and some of the
19 other agencies involved in this process. And it's
20 important for you to realize that this is not an all
21 encompassing list. This is just a list of issues
22 that we have identified to date, and it's a starting
23 point for you to provide your comments and your input
24 to us.

25 The first potential concern of water quality and

1 fish migration effects related to the proposed
2 causeway is certainly a principal issue, on which we
3 will be spending a great deal of time over the next
4 15 months. It was an issue, obviously, in the
5 waterflood EIS, and it will certainly be an issue in
6 this EIS.

7 The next one regarding the effects of snow goose
8 nesting and marine habitat within the Sag Delta is
9 also a principal issue, in that this is one of the
10 principal snow goose habitats in the United States,
11 and we will certainly be taking a hard look at this
12 particular area of concern.

13 The third one is the effects of discharge of
14 drilling mud and cuttings offshore. And this will
15 occur primarily from the three drilling islands.

16 The fourth issue is the effects of the Stefansson
17 Sound Kelp Community, or commonly referred to as the
18 Boulder Patch, which exists in shallower waters
19 offshore of the Sag Delta. As you know, this is a
20 very important ecological area, so we will be taking
21 a real hard look at the project and how it
22 essentially might impact the boulder patch area.

23 The next one is the disturbance of the bowhead
24 whale and other marine mammals by human activity
25 associated with the Endicott Development Project.

The next one is the effects of the caribou use and their migration and movement patterns across the Sag Delta. There have been numerous ongoing studies, probably over the last ten years, that had been looking at this, and we will, again, take a look at this in this EIS.

The next one which is, here, again, another concern raised by many people, deals with the risk analysis associated with the ice override threat to artificial islands.

And last, the issue raised is also associated with risk analysis, and that is the potential impact of wellhead blowouts and potential pipeline risks.

Now, these are very obvious things that we're looking at; I'm sure you folks have other things you would like to have us analyze at the same time. And, like I mentioned before, that is the purpose of the scoping process, is to get your input on what you feel is significant.

So with that as a general introduction of the project engineering, and the description of the project, along with the alternatives, and a little bit about the EIS process and scoping process, I'll now turn it over to Colonel Saling.

*

1 COLONEL SALING:

2 Let me ask, first of all, to have you address
3 those technical questions which you may have on the
4 scope of the project; any questions you have on the
5 preparation of the EIS. And then I'm going to make a
6 quick check and see how many more people have
7 indicated a desire to make a statement or make some
8 formal comment.

9 So let me open the floor now for those people who
10 have questions of Dan Huxley, or Bob, or myself, with
11 regard to what's been presented so far.

12 UNIDENTIFIED SPEAKER:

13 Gravel source -- where would the gravel come
14 from?

15 MR. HUXLEY:

16 We're looking at both onshore and offshore
17 sources. Were we to choose an onshore, we'd likely
18 select one of the currently permitted sources in the
19 Sag Delta area. There are offshore sources which
20 we're also examining at this point in time; we
21 haven't made a selection or a preference on which
22 should we take, from onshore or offshore.

23 UNIDENTIFIED SPEAKER:

24 What are the estimated recoverable reserves of
25 the area?

1 MR. HUXLEY:

2 The estimated oil-in-place is about 1 billion
3 barrels; estimated gas-in-place is about a trillion
4 cubic feet; obviously, not all that is going to be
5 recovered, but that's about the best we have for
6 in-place estimates.

7 UNIDENTIFIED SPEAKER:

8 Are interruptions in the causeways to the main
9 island part of the discussion within the EIS?

10 COLONEL SALING:

11 I'll answer that, and the answer is, yes, very
12 definitely. That was one of the issues that was
13 raised during the waterflood, and the whole impact on
14 fish migration parallel to the shore and currents,
15 and so on, obviously are of interest, and so, yes,
16 that will be addressed.

17 UNIDENTIFIED SPEAKER:

18 The fact that the designers have selected a
19 preference for a particular design, does that mean
20 that engineering design work does not continue on the
21 alternatives? In other words, two years hence, if a
22 major problem were discovered per the design, would
23 other alternatives have been engineered to the point
24 that that project at that time could be brought on
25 line?

1 COLONEL SALING:

2 That's pretty much up to the applicant. One of
3 the purposes of the EIS is to address the
4 alternatives, and if he picks a particular
5 alternative and it turns out that it's not the one
6 which is the most desirable, and the EIS clearly
7 illustrates that, he runs the risk of guessing
8 wrong. So I would have to answer it in the sense
9 that he may feel that he has the answer, as far as
10 which is the best alternative, but it's up to the EIS
11 process to determine what the actual answer is.
12 Hopefully the two would coincide. So we have no way
13 of requiring the applicant to pursue one of the
14 alternatives in the preliminary stages, but once the
15 decision is made on the most desirable solution, then
16 that's the one that has to be pursued, so we just
17 hope he guesses right.

18 Yes, sir.

19 UNIDENTIFIED SPEAKER:

20 Are there any alternatives being considered for
21 the use of gravel?

22 MR. HUXLEY:

23 The alternatives I just mentioned. I don't know
24 whether you had some specific other alternative, I
25 mean, onshore and offshore; were you thinking of some

1 specific site?

2 UNIDENTIFIED SPEAKER:

3 What about the use of artificial sea ice, or
4 artificial fresh water ice structures?

5 MR. HUXLEY:

6 We don't see ice as being a feasible alternative
7 for a permanent structure. It's been used for
8 exploration drilling, but that's a very seasonal
9 nature in this area here, that the ice would melt in
10 the summertime and we wouldn't have a structure.

11 UNIDENTIFIED SPEAKER:

12 Is the option of a piling supported causeway not
13 under consideration?

14 COLONEL SALING:

15 Let me answer that one, also, because their
16 recommended solution, the one that they're proceeding
17 on, does involve a causeway.

18 One of the key questions, as was pointed out, is
19 the question of a causeway, and when we look at it
20 there are a number of alternatives, and we haven't
21 really talked about all of them. One of them is
22 placing it under sea, such as the other pipelines.
23 One would be to put it on some sort of pilings,
24 however, you recognize, because of the ice problems,
25 that might not be structurally possible.

1 The reason that the causeway was selected is
2 because, from a structural standpoint, the ice has
3 the least impact on it, and you run the least risk of
4 damaging the pipeline. So that's the one that you've
5 seen here.

6 There are some other alternative solutions of
7 pilings under water with some combination of bridges
8 and causeway. We're not going to rule out any of
9 them in this stage of the game, but from just looking
10 at it very quickly, the piling does have some
11 distinct structural problems because of the ice.

12 UNIDENTIFIED SPEAKER:

13 One of the main rationales of the Prudhoe Bay
14 waterflood to monitoring the causeway was to look at
15 the causeway in an onshore transport. This is now --
16 another causeway is being constructed upstream from
17 the waterflood causeway. Is there any plans on
18 looking at the vicinity that's involved; putting two
19 causeways out there, or there might be any
20 communication between whatever environmental works
21 and the coordination of this one.....

22 COLONEL SALING:

23 I know just offhand, in addition to the -- of
24 course you have the West Dock waterflood causeway;
25 you have this one that's proposed, and I know of two

1 other causeways right now that are being proposed i
2 addition to that.

3 The only thing I could tell you is, is that the
4 question of causeways, in general, and their
5 interference with that current and the fish migration
6 is something we're going to address in the
7 environmental impact statement. And it's obviously
8 something, because of the questions that were raised
9 at the time of waterflood, is something that's going
10 to be addressed in significant detail.

11 That's about as much as I can tell you, other
12 than it is of considerable concern to a lot of
13 people, and our other meetings with people who have
14 expressed the same worry. You put it a little bit
15 better, the synergistic effect of multiple causeways,
16 and we'll note that as something that we ought to
17 take a look at.

18 MR. McDONALD:

19 We'll also have to take a look at that particular
20 issue in our cumulative impact analysis, and I think
21 that's what you're looking at.

22 UNIDENTIFIED SPEAKER:

23 Well, the thing that bothers me most is Arco's
24 dumping a lot of money into the Prudhoe Bay causeway,
25 with the idea of dumping money into that, therefore

1 getting information that one could project. But the
2 construction of this particular causeway, may
3 compromise with other data, is collected from the
4 other one, because it will probably cause
5 preservation, I don't know whether minor or major, of
6 sediment discharge, longshore transport across the
7 Sag Delta, which will cause some transport of
8 resuspension of sediments, and perhaps the change in
9 cold and warm water, which is also part of the known
10 effects of the Prudhoe Bay causeway -- the waterflood
11 causeway, which is why I'm curious whether there's
12 going to be any deliberate studies that look at the
13 interaction, such that when one sees the change of
14 the Prudhoe Bay waterflood causeway, you're going to
15 know whether it's due to construction upstream or
16 whether it's due to siltation.....

17 COLONEL SALING:

18 At this stage in the process I can only say that
19 you've raised an issue that we're going to have to
20 address one way or the other. I understand what
21 you're saying, you're introducing additional
22 variables, which you may not be able to eliminate
23 through some assumption. Your point is well taken,
24 and at this stage of the game I can only say that
25 that's a good input.

1 And, as I say, it's not only the variables
2 introduced by that one, but at least two more that I
3 know of that are being proposed that haven't even
4 come up for public review yet.

5 Additional questions?

6 UNIDENTIFIED SPEAKER:

7 One further question on the process. we're in
8 the Task 1 right now, the Public Scoping Process.
9 Will there be a agency scoping process? In other
10 words, a workingtype relationship with reviewing
11 agencies, apart from these public meetings?

12 COLONEL SALING:

13 The intent of the first five meetings was to get
14 the public comment before we went to the agencies
15 their scoping.

16 UNIDENTIFIED SPEAKER:

17 So a question concerning, say, the assumption
18 that the existing baseline data is adequate would be
19 subject to discussion at those kinds of meetings.

20 COLONEL SALING:

21 Yes, I would think so.

22 MR. McDONALD:

23 Do you remember I mentioned the work study plans
24 that we would follow in Task 2. Our plan would be to
25 work through the Corps to identify the agencies that

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1 should have an opportunity to review those study
2 plans, and in doing that that would give you a good
3 opportunity to either confirm or deny the assumption
4 that the baseline data is adequate. I know Rich has
5 some plans for subsequent coordination with the
6 agencies.

7 COLONEL SALING:

8 Excuse me. Before I get any further, let me
9 identify a couple people that I brought with me.

10 Rich Gutleber is from my office, and he is the
11 Study Manager for the Corps. And if you need to get
12 in contact with somebody at my office with regards to
13 the Endicott Development EIS, he's the guy.

14 Sitting in the back of the room with his hand now
15 in the air is Dave Barrows. Dave is my Branch Chief
16 and the head of my regulatory functions branch, and
17 he's the guy who processes permits. And, of course,
18 this being a permit action, he has a very definite
19 interest.

20 So those are the two people in my office that are
21 keyed to this particular operation, and you may want
22 to chat with them a little bit informally after we
23 complete the formal part of this meeting.

24 Any other questions now on the technical aspect?

25 (No audible response.)

1 Dave Norton had indicated that he would like to
2 speak.

3 And what I would like to do, Dave, if you would
4 come up to the podium and make your comments. I'm
5 not going to take a break as I intended. Then I
6 would like to leave the meeting open to have any
7 questions, comments from the floor, because, really,
8 what I want to do is to get your comments, not to
9 have you come up and practice your public speaking
10 style.

11 Dave, would you mind coming up and giving us your
12 comments.

13 (Whereupon a brief off the record period was then
14 taken to change the tape.)

15 MR. NORTON:

16 I'm Dave Norton. My interest is in science and
17 publication of scientific results of environmental
18 studies in Alaska.

19 I would like to separate my comments very clearly
20 between what I think are environmental considerations
21 for the EIS and subsequent value to procedures for
22 this project, and second, to the sort of scientific
23 context of the Endicott Project.

24 In just picking off against the slides which were
25 shown a few moments ago about previously raised

1 scoping issues, it seems to me that some of the
2 things that I just scratched down hurriedly yesterday
3 seemed to be pretty well covered. But let me itemize
4 one or two things that I didn't see mentioned on that
5 slide that I would like to see emphasized in the
6 environmental impact assessment process.

7 First, I didn't see mention of the river runoff
8 process in the spring, and very specifically, in
9 either the engineering document or environmental
10 concerns as a physical constraint and a design
11 consideration.

12 It seems to me that we have looked at enough of
13 the river runoff, and this, of course, is right off
14 the mouth of the Sag. That may be either a greater
15 or lesser concern than is presently indicated. I
16 think that that probably is an item that needs to be
17 addressed for peoples' reassurance.

18 The next items of interest for EIS. There are
19 several here that relate to fisheries and anadromous
20 fish. I think the biggest one, really, is to call
21 upon Don Shell's comment, is the interactive, or
22 synergistic effects of the various coastal
23 modifications, including the other three or four
24 causeway areas. It's no small task, as I discovered
25 a couple weeks ago to consider cumulative impacts.

1 We went through an exercise of looking at several
2 interactive types of development impacts on the North
3 Slope, and I felt pretty well overwhelmed for awhile
4 by the problem easing out of the individual and the
5 multiple impacts, but it seems to me that that is
6 well worth doing.

7 I assume that at some point in an environmental
8 assessment process, the issue of entrainment and
9 impingement losses or effects on biota, including
10 anadromous fish, will come up in relation to the
11 overall Endicott Project. Perhaps that's much
12 farther down the line, inasmuch as I guess that this
13 waterflood will be years in the future.

14 One final on fisheries, is to point out that th
15 question of gravel removal if some of the lower Sag
16 Delta sites are chosen as on-land sites. There needs
17 to be an indication in the scoping document that
18 indeed there were under-ice surveys for all the
19 wintering fish, and I think that therefore, this will
20 probably be adequately considered or addressed in the
21 EIS as it should be.

22 In relation to non-fisheries things, the snow
23 goose consideration was mentioned; I won't waste time
24 on that.

25 Recently, however, in relation to other or biota

1 we can continue to perceive that coastal developments,
2 particularly causeways, where you may set up on one
3 side or the other, relatively calm water. There are
4 several species of important North Slope birds,
5 particularly in the post breeding season, notably
6 phalar, oldsquaw and eiders, which rely on nearshore
7 shallow areas to quite an extent. They will select
8 the quieter bodies of water divided by an artificial
9 structure for molting, feeding and other
10 activities.

11 Unfortunately, this may expose them to increased
12 risk contact with accidentally spilled pollutants,
13 whether refined or crude toxicants, and I think that
14 that is a kind of risk that needs to be identified,
15 both singly and in a cumulative sense.

16 Are there any questions on that part of what I
17 had to say?

18 COLONEL SALING:

19 No, that's good. That's the kind of input we're
20 looking for.

21 MR. NORTON:

22 The second half of what I wanted to say is
23 somewhat more philosophical and not restricted to the
24 EIS.

25 I think it's important in the EIS and the working

1 arrangements for the applicants and the Corps and t'
2 consultants have -- it's important to keep in mind
3 that this is the N plus fifth individual development
4 in a number of petroleum related developments,
5 including Prudhoe Bay, the joint offshore lease sale
6 of 1979, the sale in '71, etc., etc., and speaking
7 from a scientific point of view, I think what needs
8 to be brought out is that we are getting smart.

9 The things that the scientific community were
10 worried about in 1977, '78 and '79, are partially now
11 much less of a concern as far as environment impact,
12 because, in part, to the West Dock Waterflood, there
13 was a monitoring or technical evaluation program that
14 I think has given us important new scientific
15 information, so that, perhaps now the things we're
16 worried about are different from, and evenly
17 hopefully lesser than what things gave the scientific
18 community concern several years ago.

19 In this sort of suite of developments, which I
20 hope can be evaluated in a cumulative sense, I think
21 it's important for somebody from the scientific
22 community to say, let's keep up the evaluated
23 studies, because there are going to be further
24 generations. There are going to be more causeways to
25 the west if oil is found.

1 Sohio, Exxon, Arco, and the Corps, I hope will
2 continue to pay more than one shot attention to
3 questions of anadromous fish, or accommodation by
4 snow geese, because the later projects, we hope,
5 again, to be still smarter and worried about the
6 important things, rather than what turn out to be the
7 small ones. So I hope that there will be a
8 continuing evaluation of what we know and where we
9 stand.

10 As I mentioned that I'm involved in publishing,
11 recently a publication that I work for has accepted
12 three papers dealing with Artic Cisco. That work was
13 begun essentially by the Outer Continental Shelf
14 Environmental Assessment Program.

15 Part of it was picked up by the Corps of
16 Engineers and Arco on the waterflood, and I believe
17 some of it is continuing as part of this project.

18 These publications are now going into the
19 scientific literature. They bring as much credit to
20 the funding companies and cooperating agencies as
21 they do to the scientists themselves.

22 We have a body of growing understanding
23 environmental assessment in northern Alaska that I
24 think can reflect credit on the people who will keep
25 up their interest in these matters.

1 COLONEL SALING:

2 Thank you very much.

3 UNIDENTIFIED SPEAKER:

4 I asked about ice islands a little while ago, and
5 ice structures. This amount of gravel, this
6 10 million yards of gravel is only (indiscernible -
7 away from microphone) up there. There's going to be
8 more development up there, more islands, more gravel
9 and more gravel.

10 And this is an area in which the water is
11 relatively shallow, and could be experimented with in
12 this area, and could probably be used. I'm not
13 absolutely certain, but there's certainly very little
14 experimentations going on up there.

15 Unless pressed to the wall to perform these
16 experiments, (indiscernible) in relatively shallow
17 water, we're going to see more and more gravel moving
18 in to islands to causeways and so on.

19 Ice is cheap; it doesn't cost very much; gravel
20 is very expensive. It adds to the wellhead cost of
21 oil and gas produced up there, which I was opposed
22 to. But I think it's extremely important that ice
23 islands and ice causeways be considered here and be
24 considered early on (indiscernible) two, three, four
25 years.

1 COLONEL SALING:

2 What you're saying is, is that there may be a
3 year-round utility and not to sort of dismiss them
4 out of hand.

5 UNIDENTIFIED SPEAKER:

6 Sure. Of course. It's easy if you're
7 (indiscernible) these things, so say, "Well, let's do
8 it with gravel; this is the way we've always done it,
9 or we'll do it this time and so on. Gravel is
10 disappearing, and I know the oil companies have
11 fought this, but it is a disappearing resource, and
12 it seems to me be economic advantage to possibly use
13 ice.

14 COLONEL SALING:

15 Thank you.

16 Additional questions and comments?

17 (No audible response.)

18 Well, ladies and gentlemen, if you have no
19 further comments, I would indicate that we would like
20 to have you provide us, as you reflect on the scoping
21 documents that we've handed out today, and as you
22 think a little bit about this, if you have an idea
23 that you would like to pass to us, something that you
24 think needs to be addressed as part of this process,
25 please send it to our office in Anchorage, attention

1 to Mr. Gutleber, and I think our address is in that
2 scoping document. So if you have one of those you
3 know where to send it.

4 I appreciate your coming today, and if you have
5 any formal comments, which are just as valid as the
6 ones that you make in front of the microphone, get
7 hold of Rich or one of us after the meeting and bend
8 our ear. Thank you very much.

9 (Whereupon the hearing adjourned at 2:14 p.m.)
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